

Evans Prieston, Esq. 3062098
Tracy L. Henderson, Esq. 252888
Admitted Pro Hac Vice
American Mortgage Law Group
75 Rowland Way, Suite 350
Novato, CA 94945
Telephone: (415) 878-0300
Facsimile: (415) 878-0035

Attorneys for Directors Mortgage Inc

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

In re:)	Chapter 11
)	
)	Case No. 08-13555-scc
)	
LEHMAN BROTHERS HOLDINGS., et al.,)	
Debtors.)	
)	

**AFFIRMATION IN SUPPORT OF *EX PARTE* APPLICATION FOR
THE ENTRY OF AN ORDER TO SHOW CAUSE AND SETTING A
HEARING ON THE MOTION OF DIRECTORS MORTGAGE INC
PURSUANT TO RULE 60(b)(6) OF THE FEDERAL RULES OF CIVIL
PROCEDURE FOR AN ORDER VACATING THE “ALTERNATIVE
DISPUTE RESOLUTION PROCEDURES ORDER FOR
INDEMNIFICATION CLAIMS OF THE DEBTORS AGAINST
MORTGAGE LOAN SELLER, DIRECTORS MORTGAGE INC”**

Directors Mortgage Inc hereby files this *ex parte* application (“Application”) for entry of an Order to Show Cause, substantially in the form of the order attached hereto as Exhibit A, staying Directors Mortgage Inc’ obligation to respond or mediate under this Court’s Alternative Dispute Resolution Procedures Order for Indemnification Claims of the Debtors Against Mortgage Loan Seller, Directors Mortgage Inc (the “ADR Order”) and setting a hearing on Directors Mortgage Inc’ Motion pursuant to *Rule 60(b)(6)* of the *Federal Rules of Civil Procedure* seeking to vacate same.

BASIS FOR RELIEF

1. On July 18, 2014, the court entered the ADR Order directing debtor Lehman Brothers Holdings Inc. (“LBHI”) and Directors Mortgage Inc to engage in certain Alternative Dispute Resolution Procedures in connection with alleged indemnification claims held by LBHI against Directors Mortgage Inc.

2. On February 26, 2015, Directors received an Indemnification ADR Package (the “Claim”) from LBHI which, pursuant to the terms of the ADR Order, activated a twenty day period during which Directors must respond. Directors, reserving the right to object on this basis, responded on March 19, 2015. Pursuant to the Order, LBHI’s Reply is due April 3, 2015.

3. In preparing its response to the Claim however it became apparent that LBHI does not hold any enforceable claims against Directors Mortgage Inc as a matter of law as: (1) LBHI does not possess a right to repurchase, cure or to be indemnified by Directors Mortgage Inc; and (2) any claims assigned to LBHI are barred by the statute of limitations.

4. Upon information and belief, the retainers being collected from the LBHI mediators are \$20,000 to be split between the parties. This does not include the cost of travel or other expenses for the lenders. In light of the foregoing, and in order to prevent LBHI and Directors Mortgage Inc from incurring the substantial cost of preparing for and participating in premature mediation, Directors Mortgage Inc submits that sufficient cause exists to have its request for stay heard on an emergency basis.

5. Directors Mortgage Inc has met and conferred with counsel for LBHI to request a stipulated stay but has not received a response to date.

NO PRIOR REQUEST

6. No previous request for the relief requested herein has been made to this or any other court.

WHEREFORE, , for the reasons set forth herein, Directors Mortgage Inc respectfully requests that this Court enter an order, substantially in the form attached hereto as Exhibit A, (i) granting the relief requested herein and (ii) granting Directors Mortgage Inc such other and further relief as the Court deems proper and just.

Dated: March 24, 2015

/s/ Evans Prieston

Evans Prieston, Esq. 3062098

Tracy L. Henderson, Esq. 252888

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American Mortgage Law Group

75 Rowland Way, Suite 350

Novato, CA 94945

Tel: (415) 878-0030

Fax: (415) 878-0035